



Frequently Asked Questions on Goods and Services Tax (GST)

Q.1 What is Goods and Services Tax (GST) ?

Ans. GST stands for Goods and Services Tax. GST will be a single destination based consumption tax that will replace existing taxes, including CENVAT, Octroi, Sales Tax, and Excise Duty, etc. Unlike the old tax structure, where the state of origin received tax revenue, in the new GST model the state in which goods and services are consumed is the state that will receive the revenue.

Q.2 What are the types of GST?

Ans. CGST: Central Goods and Services Tax, paid on all transactions, collected by the Center
SGST: State Goods and Services Tax, paid on all transactions within a State, collected by the States.

IGST: Integrated Goods and Services Tax, paid on all inter-state transactions, or import of goods into India, collected by the Center.

Q.3 What is the taxable event under GST?

Ans. Taxable event under GST is supply of goods or services or both. CGST and SGST/UTGST will be levied on intra-State supplies. IGST will be levied on inter-State supplies.

Q.4 How would a particular transaction of goods and services be taxed simultaneously under Central GST (CGST) and State GST (SGST)?

Ans. The Central GST and the State GST would be levied simultaneously on every transaction of supply of goods and services except on exempted goods and services, goods which are outside the purview of GST and the transactions which are below the prescribed threshold limits. Further, both would be levied on the same price or value unlike State VAT which is levied on the value of the goods inclusive of Central Excise.

Q.5 How will be Inter-State Transactions of Goods and Services be taxed under GST in terms of IGST method?

Ans. In case of inter-State transactions, the Centre would levy and collect the Integrated Goods and Services Tax (IGST) on all inter-State supplies of goods and services. The importing dealer will claim credit of IGST while discharging his output tax liability (both CGST and SGST) in his own State.

Q.6 How will IT be used for the implementation of GST?

Ans. For the implementation of GST in the country, the Central and State Governments have jointly registered Goods and Services Tax Network (GSTN) as a not-for-profit, non-Government Company to provide shared IT infrastructure and services to Central and State Governments, tax payers and other stakeholders. The key objectives of GSTN are to provide a standard and uniform interface to the taxpayers, and shared infrastructure and services to Central and State/UT governments. GSTN is the common GST portal providing frontend services of registration, returns and payments to all taxpayers, as well as the backend IT modules for certain States that include processing of returns, registrations, audits, assessments, appeals, etc. All States, accounting authorities, RBI and banks, are also preparing their IT infrastructure for the administration of GST. There would no manual filing of returns. All taxes can also be paid online. All mis-matched returns would be auto-generated, and there would be no need for manual interventions. Most returns would be self-assessed.

Q.7 How will imports be taxed under GST?

Ans. IGST will be levied on all imports into the territory of India. The Additional Duty of Excise or CVD and the Special Additional Duty or SAD presently being levied on imports will be subsumed under GST

Q.8 Will stock transfers subject to GST?

Ans. Yes, stock transfers between two states within the same organization will trigger GST.

Q.9 How does GST apply to business?

Ans. GST regulations are applicable if your annual turnover is Rs. 20 lakh or above. In case of North Eastern states (Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland, and Tripura) and hilly regions i.e. Himachal Pradesh, Uttarakhand, Jammu & Kashmir and Sikkim, the threshold limit is Rs. 10 lakh.

Q.10 What is GSTIN?

Ans. Goods and Services Tax Identification Number (GSTIN) is a 15 digits state-wise PAN-based number to be used to identify businesses registered under GST.

Q.11 A taxable person's business is in many states. All supplies are below 10 Lakhs. He makes an Inter State supply from one state. Is he liable for registration?

Ans. He is liable to register if the aggregate turnover (all India) is more than 20 lacs or if he is engaged in inter-State supplies.

Q.12 How long can I wait to register in GST ?

Ans. An unregistered person has 30 days to complete its registration formalities from its date of liability to obtain registration.

Q.13 Which information and documents are required to enroll with GST?

Ans. Before enrolling with the GST Common Portal, you must ensure to have the following information:

- Provisional ID received from State/ Central Authorities
- Password received from the State/ Central Authorities
- Valid E-mail Address
- Valid Mobile Number
- Bank Account Number
- Bank IFSC

Documents :

1. Proof of Constitution of Business
 - In case of Partnership firm: Partnership Deed
 - In case of Others: Registration Certificate of the Business Entity
2. Photograph of Promoters/ Partners/ Karta of HUF
3. Proof of Appointment of Authorized Signatory
4. Photograph of Authorized Signatory
5. Opening page of Bank Passbook/ Statement containing Bank Account Number of < Account Number>, Address of Branch, Address of Account holder and few transaction details

Q.14 What if the dealer migrated with wrong PAN as the status of firm was changed from proprietorship to partnership?

Ans. New registration would be required as partnership firm would have new PAN.

Q.15 Can we use provisional GSTIN or do we get new GSTIN? Can we start using provisional GSTIN till new one is issued?

Ans. Provisional GSTIN (PID) should be converted into final GSTIN within 90 days. Yes, provisional GSTIN can be used till final GSTIN is issued. PID & final GSTIN would be same.

Q.16 Whether civil contractor doing projects in various states requires separate registration for all states or a single registration at state of head office will suffice?

Ans. A supplier of service will have to register at the location from where he is supplying services

Q.17 Whether aggregate turnover includes turnover of supplies on which tax is payable by the recipient under reverse charge?

Ans. Outward supplies on which tax is paid on reverse charge basis by the recipient will be included in the aggregate turnover of the supplier.

Q.18 When is registration in other state required? Will giving service from Nasik to other state require registration in other state?

Ans. If services are being provided from Nasik then registration is required to be taken only in Maharashtra and IGST to be paid on inter-state supplies.

Q 19. What will be the time of supply of goods, generally?

Ans. Generally, in terms of Section 12 of CGST Act, 2017, the time of supply of goods shall be the earliest of the following:

- (a) Date of issue of invoice; or
- (b) Due date of issue of invoice; or
- (c) Date on which supplier receives the payment; or
- (d) Date on which payment is entered in books of accounts of the supplier; or
- (e) Date on which payment is credited to the bank account.

Q.20 What would be the 'due date of issuance of invoice' with reference to the provisions relating to time of supply of goods?

Ans. Section 31(1) of the CGST Act, 2017 prescribes the time at which the tax invoice should be issued by a registered taxable person supplying goods. Accordingly, the due date for issuance of invoice would be as follows:

(a) Supply involves movement of goods – It is provided that the tax invoice should be issued before or at the time of removal of goods for supply to the recipient. As such, it is inferred that the date of removal of goods shall be the 'due date of issuance of invoice';

(b) Any other case – delivery of goods or making goods available to the recipient. As such, it is inferred that the date on which goods are delivered to the recipient or the date on which goods are made available to the recipient is the 'due date of issuance of invoice'.

Q.21 How to ascertain the time of supply of services?

Ans. In terms of Section 13, the time of supply of services shall be the earliest of the following:

- (a) Date of issue of invoice; or
- (b) Due date of issue of invoice under Section 31; or
- (c) Date when the payment entry in relation to supply of services is recorded in books of accounts; or
- (d) Date on which the payment is credited to suppliers bank account.

Q 21 What would be the time of supply of services taxable under reverse charge mechanism?

Ans. In terms of Section 13(3) of the CGST Act, 2017, the time of supply of services for remittance of tax under reverse charge mechanism shall be the earliest of the following:

- (a) Date of payment recorded in the books of accounts;
- (b) Date of debit in bank account;
- (c) Sixty days from the date of issue of invoice or any other document by the supplier; or
- (d) Date of entry in the books of accounts of the recipient.

Q.22 Are promotional items and/or free samples subject to GST?

Ans. Yes, the stock transfer of promotion materials and/or free samples will be subject to GST, and supply of those promotion materials/free samples to the retailers who stock your product, or end customers, will also be subject to GST. Tax is payable on consideration received for the supply.

Q.23 Who are GST Suvidha Provider or GSP?

Ans. GSTN has developed a robust platform for taxpayers to access the GST Systems, however, that would not be the only way for interacting with the GST system as the taxpayer via his choice of third party applications, which will provide all user interfaces and convenience via desktop, mobile, other interfaces, will be able to interact with the GST system. The third party applications will connect with GST system via secure GST system APIs. All such applications are expected to be developed by third party service providers who have been given a generic name, GST Suvidha Provider or GSP.

Q.24 What details will be required by GRSE from vendors?

Ans. All the Vendors are requested to submit GST Provisional ID Number and Provisional Registration Certificate to Vendor Registration Cell of the GRSE.

Q.25 What other actions would be required from vendors?

Ans. Vendors have to raise invoices within the time as specified above, file monthly and yearly returns as per GST Law.

Q.26 What is GRSE's GST provisional ID?

Answer: GRSE has three GSTIN as stated below:

| Particulars | GRSE West Bengal | GRSE (DEP) Ranchi | GRSE (Bailey Bridge) Odisha |
|-------------|------------------|-------------------|-----------------------------|
| GSTIN | 19AAACG9371K1Z4 | 20AAACG9371K1ZL | 21AAACG9371K1ZJ |

Q.27 What is GST rate for GRSE products?

Ans. HSN code of warships is 8906 and rate of GST applicable is 5% whereas the HSN Code for Bailey Bridge is 7308 and the applicable GST rate is 18%.